



**APPENDIX TO PETITION FOR CERTIORARI
PROPOSAL OF AMENDED PLAN BY TRUSTEE**

IN THE
DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF NEW YORK

IN THE MATTER OF THE ONONDAGA HOTEL CORPORATION, <i>Debtor.</i>	}	In Proceedings for the Reorganization of a Corporation, No. 27263
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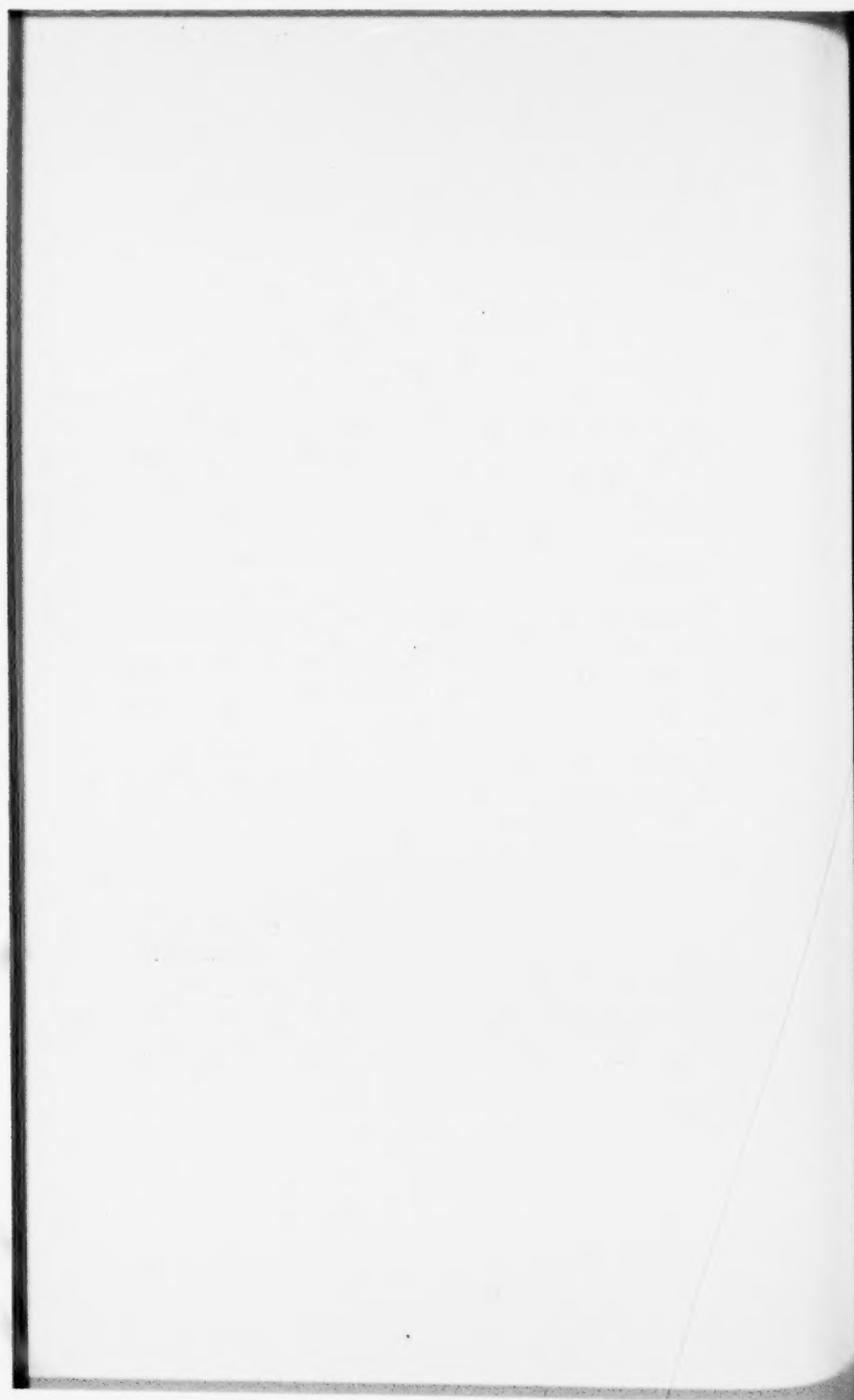
H. LOOMIS MURRAY, Trustee of The Onondaga Hotel Corporation, the above named Debtor, has prepared and proposes the annexed Amended Plan for the reorganization of said Debtor.

Dated: Syracuse, New York,

April 7, 1943.

Respectfully submitted,

H. LOOMIS MURRAY,
Trustee.



IN THE
DISTRICT COURT OF THE UNITED STATES

FOR THE NORTHERN DISTRICT OF NEW YORK

IN THE MATTER
OF
THE ONONDAGA HOTEL CORPORATION,
Debtor.

In Proceedings for
the Reorganization
of a Corporation,
No. 27263

**AMENDED PLAN OF REORGANIZATION INVOLV-
ING TRUSTEE'S CERTIFICATES, MORTGAGES,
SECURED BONDS, CONTINGENT CLAIM
AND COMMON STOCK**

**AMENDED PLAN OF REORGANIZATION FOR THE
ONONDAGA HOTEL CORPORATION, THE
ABOVE NAMED DEBTOR**

HISTORY OF THE DEBTOR CORPORATION

The Debtor is a New York State Corporation which was formed on March 1, 1927, by the consolidation of the "Onondaga Hotel Corporation," incorporated August 8, 1908, and the "Onondaga Annex Corporation," organized on March 26, 1914.

The capital stock of the Debtor consists of 10,000 shares of common stock of no par of which 9,997 shares are issued and outstanding.

It owns certain hotel properties situate on the northwest corner of South Warren and East Jefferson Streets in the City of Syracuse. These consist of the main hotel building erected by the "Onondaga Hotel Corporation" and put in

operation in 1910, and the so-called "Annex"—built by the "Onondaga Annex Corporation" in 1914—which adjoins and is connected with the main building on its north side.

It also owns the furniture, fixtures, equipment and other personal property in these two buildings, having acquired the same from its lessor in September, 1936.

On or about December 5, 1938, "The Onondaga Company," which had been the Lessor of the Debtor's property for many years, filed a petition in the United States District Court for the Northern District of New York, under Section 77B of the Federal Bankruptcy Act and thereafter continued in possession of the Debtor's properties until December 1, 1940.

On January 16, 1939, the Debtor filed in the United States District Court for the Northern District of New York a petition for reorganization under Chapter X of the Federal Bankruptcy Act. This petition was approved by the Court on January 20, 1939, and on January 21, 1939, the undersigned, H. Loomis Murray, was appointed Trustee of the Debtor and, having qualified as such, has ever since continued to act in that capacity.

On December 1, 1940, the Trustee took possession of the Debtor's properties which are now being operated by the Knott Corporation by virtue of a contract with the Trustee.

DEFINITIONS

The following terms when used in the Amended Plan shall, unless the context otherwise requires, have the following meanings, respectively:

Debtor: The Onondaga Hotel Corporation, a corporation organized under the Laws of the State of New York.

Chapter X: Chapter X of the Act of Congress relating to bankruptcy.

Reorganization Proceeding: The proceeding for the reorganization of the Debtor, commenced the 16th day of January, 1939, under Chapter X and now pending in the District Court of the United States for the Northern District of New York entitled "In the Matter of The Onondaga Hotel Corporation, Debtor, In Proceedings for the Reorganization of a Corporation, No. 27263."

Court: The District Court of the United States for the Northern District of New York, acting in the Reorganization Proceeding, which term also applies to the Judge of the Court or the Referee in Bankruptcy at the time in charge of or hearing any part of the Reorganization Proceeding.

Trustee: H. Loomis Murray, appointed Trustee of the Debtor in this reorganization proceeding, or his duly appointed successor or successors.

Trustee's Certificates: Certificates of indebtedness heretofore issued by the Trustee pursuant to and in accordance with an Order of the Court dated the 26th day of May, 1941, and entered in the United States District Clerk's Office on the 18th day of June, 1941, which are now due and outstanding.

Onondaga County Savings Bank Mortgage: Mortgage executed and delivered to it by Onondaga Hotel Corporation dated October 1, 1908, due October 2, 1908, upon which there is due the principal sum of \$364,000 with unpaid interest thereon from April 10, 1937.

First Trust & Deposit Company Mortgage: Mortgage executed and delivered to it by "The Onondaga Hotel Corporation," dated December 21, 1928, payable one year after

date, upon which there is now due \$190,000 with interest from May 1, 1937.

First Consolidated Mortgage Bondholders: Owners of bonds issued and outstanding under a certain Trust Indenture executed and delivered to The Syracuse Trust Company as Trustee under date of October 1, 1908, by Onondaga Hotel Corporation, the total face amount of such outstanding bonds being \$233,000 with interest thereon since October 1, 1936.

Bondholders' Committee: John Nash, Schuyler Black, Joshua Bachman, Edward A. O'Malley, C. Hamilton Sanford, or the duly appointed successors of any of the aforesaid persons composing a Committee representing certain bondholders who have or may deposit their bonds with said Committee under a Deposit Agreement dated the 19th day of December, 1938.

New Mortgage: New mortgage to be given by The Onondaga Hotel Corporation to owners of outstanding Trustee's Certificates at the time of the consummation of the Amended Plan.

Contingent Creditor: Claim of contingent creditor as hereinafter set forth.

Old Stock: Stock of the Debtor Corporation consisting of 10,000 shares of No Par Value Common Stock of which 9,997 shares are issued and outstanding.

Old Stockholders: Owners of such old stock.

New Stock: Stock to be issued by the Debtor Corporation.

New Stockholders: Such persons as shall become owners of new stock to be issued by the Debtor.

Debenture Notes, Series "A": Unsecured notes to be issued by The Onondaga Hotel Corporation to the Onondaga County Savings Bank and First Trust & Deposit Company.

Debenture Notes, Series "B": Unsecured notes to be issued by The Onondaga Hotel Corporation.

Net Profits: Net profits of The Onondaga Hotel Corporation and/or its successors, shall be determined as follows, viz: From a total income of it and its successors from the date of the consummation of the Amended Plan shall be deducted all operating and other expenses of every name and nature, including the constant amortization of the Onondaga County Savings Bank mortgage and the First Trust & Deposit Company mortgage. To the balance thus obtained shall be added back the following items of expense: Depreciation, obsolescence, interest on Debenture Notes, Series "B", if earned and included among the expenses, and all compensation of every name or nature for management except that paid to local employees, provided, however, that a fee not to exceed 3% of the room rents shall be allowed for supervisory management of the character as is now being provided by the present management. From this total the Federal Income and Excess Profits Tax shall be deducted and the amount then remaining shall be the net annual profits of The Onondaga Hotel Corporation and/or its successors for the purpose of determining the share of the net profits which is to be used in additional amortization of Debenture Notes, Series "A", and liens as herein provided.

Board of Directors: New directors of the Debtor as hereinafter provided for.

Confirmation of Amended Plan: The entry by this Court of an Order confirming the Amended Plan in accordance with Chapter X.

Consummation of the Amended Plan: The making available of the new securities, notes and cash for distribution and payment pursuant to the Amended Plan, and the execution of all other provisions and the accomplishment of all other things contained or provided for in this Amended Plan and in the orders of the Court in aid of consummation thereof.

TREATMENT OF TRUSTEE'S CERTIFICATES

All Trustee's Certificates outstanding at the time of the consummation of the Amended Plan, together with interest thereon, shall be paid or payment provided for and secured as hereinafter set forth.

CLASSES OF CREDITORS AND STOCKHOLDERS OF THE DEBTOR

Class 1: Holders of claims for wages earned within three (3) months prior to the filing of the petition of the Debtor, praying that proceedings be had under Chapter X, not in excess of six hundred (\$600.00) dollars per person.

Class 2: The United States with respect to claims for taxes and customs duties against the Debtor.

Class 3: The United States with respect to claims against the Debtor, other than claims for taxes and customs duties.

Class 4: The State of New York and any other political subdivision thereof with respect to claims for taxes against the Debtor, except claims for real estate taxes.

Class 5: The State of New York and any other state or political subdivision thereof with respect to claims for real estate taxes.

Class 6: Any state or political subdivision thereof with respect to claims against the Debtor, other than claims for taxes.

Class 7: The Onondaga County Savings Bank and the First Trust & Deposit Company.

Class 8: Owners of First Consolidated Mortgage Bonds.

Class 9: Holder of the contingent claim hereinafter set forth.

Class 10: Old stockholders.

ASSETS OF TRUSTEE AND DISPOSITION THEREOF

The Onondaga Hotel Corporation shall acquire from the Trustee all his assets save cash on hand.

The value of the accounts receivable and of the items which are carried upon the Trustee's books of account under the title of "Prepaid and Deferred Expenses," consisting of prepaid insurance, prepaid telephone rental, licenses and City taxes or any other items of this nature, shall be determined by independent accountants whose selection shall be approved by the Court and whose services shall be paid for by the Trustee.

The inventory of the Trustee consisting of consumable supplies, such as food, beverages, fuel and lamps, shall be purchased by The Onondaga Hotel Corporation at the book value as determined by the accountants.

The valuation placed upon said accounts receivable, consumable supplies and prepaid and deferred expenses shall be subject to the approval of the Court; and any sums due the Trustee from the Onondaga Hotel Corporation for the purpose of acquisition of the foregoing accounts, supplies

and items shall be paid to him by The Onondaga Hotel Corporation upon the consummation of the Amended Plan, from the new funds to be paid into The Onondaga Hotel Corporation as hereinafter set forth.

From the funds of the Trustee arising from cash, receipts from sale of his assets to the Debtor and all other sources, there shall be paid the following items:

1. The expenses, costs and allowance of this proceeding as the same shall be judicially determined.
2. The Trustee's pro rata share of any taxes unpaid by him up to the date of the consummation of the Amended Plan and his cessation of the operations of the property of the Debtor, save any unpaid taxes for years prior to January 1, 1943, which are or may be claimed due by the United States of America or the State of New York, which taxes, if any, shall be assumed and borne by The Onondaga Hotel Corporation.

The Trustee's share, if any, of taxes due the United States Government or the State of New York—exclusive of real estate taxes—from January 1, 1943, to the date of the consummation of the Amended Plan, shall be calculated or estimated and paid into the office of the Clerk of the United States District Court subject to further order of the Court. Any sums so paid, if the same shall be found not to be due to the United States or said State, shall be refunded to The Onondaga Hotel Corporation with instructions to pay same upon the principal of the Debenture Notes, Series "A."

3. All salaries, wages and accounts payable incurred by him as Trustee in the operation of the properties, save as hereinbefore excepted under No. 2.

4. To the First Mortgage Bondholders in full payment of the amount of bonds owned by them with unpaid interest thereon (being the principal sum of \$233,000 face amount thereof, with interest from October 1, 1936), 25% of the principal amount of such bonds. In addition thereto, the Trustee shall pay to The Syracuse Trust Company, as Trustee of the Trust Indenture under which said bonds were issued, such sums as the Court shall allow for all services performed by it as Trustee and to be performed in the carrying out of this Amended Plan.

Such sum as so allowed by the Court shall be in full satisfaction of the claim heretofore filed by said The Syracuse Trust Company as Trustee.

5. To the Merchandise Brokerage Corporation the principal amount of its contingent claim against the Debtor as such principal amount shall be determined by the Court. Upon the payment thereof said Merchandise Brokerage Corporation shall assign, transfer and deliver to The Onondaga Hotel Corporation all its right, title and interest in such claim. Any sums thereafter recovered by The Onondaga Hotel Corporation under such assignment shall be paid by it upon the principal of the Debenture Notes, Series "A."
6. To the holder of the outstanding Trustee's Certificates, the balance then remaining in his possession in reduction of such Trustee's Certificates and the interest accrued thereon.

ARTICLE I**Provisions Altering or Modifying the Rights of Creditors and
Stockholders**

The owner of the remaining Trustee's Certificates, after the payment thereon of the balance of the funds remaining in possession of the Trustee as hereinbefore provided for, upon consummation of the Amended Plan, shall receive in payment of the then balance a new mortgage for such amount which shall be given by The Onondaga Hotel Corporation and which shall be a first lien upon the "Main Hotel Building" and the real property upon which it stands, together with all furniture, fixtures, equipment and appliances of The Onondaga Hotel Corporation, and a second lien upon its property known as the "Annex" and the lands upon which it was erected.

Creditors in Class 7

The Onondaga County Savings Bank and the First Trust & Deposit Company shall cancel and surrender all claims for past due interest upon their respective mortgages up to the time of the consummation of the Amended Plan. They shall also reduce the principal amounts of such mortgages by 20% for which they shall receive Debenture Notes, Series "A", in a like amount, which notes are to be issued by The Onondaga Hotel Corporation as hereinafter provided.

The lien of said mortgages shall be so extended as to provide that the Onondaga County Savings Bank Mortgage shall be a second lien upon all furniture, furnishings, equipment and appliances customarily located in the "Main Hotel Building" of The Onondaga Hotel Corporation, and that of the First Trust & Deposit Company so that it shall be a second lien on its furniture, furnishings, equipment and appliances customarily located in the "Annex".

The terms of the Onondaga County Savings Bank Mortgage shall also be amended so as to contain a provision entitling it to the appointment of a receiver in any foreclosure action instituted by it thereon.

Creditors in Class 8

Holders of First Consolidated Mortgage Bonds shall receive in full payment of the face amount of their bond and accrued interest thereon, 25% of the face amount of such principal, or the sum of \$528,250.00, there now being outstanding \$233,000 par value of said bonds.

The Trustee shall also pay to The Syracuse Trust Company, the Trustee of the Indenture under which said bonds were issued, such sum as the Court shall determine in full for all past and further services rendered by it as such Trustee.

The manner of distributing such sum among the respective bondholders shall be provided for in the Order of the Court confirming said Amended Plan.

Debenture Notes, Series "A"

The Onondaga Hotel Corporation shall cause to be duly created, issued and delivered to the Onondaga County Savings Bank an unsecured note of the face amount of \$72,800.00 and to the First Trust & Deposit Company an unsecured note of the face amount of \$38,000.00, which notes shall be designated as Debenture Notes, Series "A".

These notes shall have a prior right to the payment of their principal and interest from the assets of The Onondaga Hotel Corporation over those designated as Debenture Notes, Series "B".

They shall be dated as of the date of the consummation of the Amended Plan, bear interest at the rate of 3% per

annum, payable March 1 and September 1 of each year and the balance remaining upon the principal, after payments thereon as hereinafter set forth under Article IX, shall be due and payable ten years from the date thereof.

Debenture Notes, Series "B"

In order that The Onondaga Hotel Corporation shall have a net working capital of \$90,000.00, with which to conduct its business, it shall duly create and issue a series of unsecured Debenture Notes, known as Debenture Notes, Series "B", in the face amount of \$80,000.00, for which it shall receive said sum in order to contribute \$80,000.00 to said net working capital fund.

These notes shall be junior to the Debenture Notes, Series "A", as to any claim for principal or interest, upon the assets of The Onondaga Hotel Corporation. They shall bear date as of the date of the consummation of the Amended Plan, shall bear interest at the rate of 3% per annum, which shall be non-cumulative and payable only if earned and if by such payment the net working capital of The Onondaga Hotel Corporation is not reduced to less than \$90,000.00.

"Net working capital" as used herein shall mean the difference between current assets and current liabilities. Current assets shall consist of cash, accounts and notes receivable, inventories of consumable supplies, marketable investments at market prices and any other assets which normally can or will be liquidated within one year.

Current liabilities shall consist of accounts and notes payable and accrual of expense items which must be paid within less than one year.

Class 10 Old Stock

The present capital stock, consisting of 10,000 shares of No Par Common Stock of which 9997 shares are issued, shall be eliminated.

New Stock and Rights of Old Stockholders

A new class of stock consisting of 10,000 shares of the par value of \$1.00 each shall be created by The Onondaga Hotel Corporation, with the rights and priveleges herein-after defined in Article XII of this Plan.

Each stockholder of the old stock shall have the choice of either of the following options, to wit:

(a) He may tender his old stock to The Onondaga Hotel Corporation which shall thereupon cause to be paid to him the sum of \$2.00 per share for such stock; and such stock shall be cancelled; or

(b) For each share of his old stock he may subscribe to his proportionate share of New Stock, Debenture Notes, Series "B", and Paid in Surplus, at the rate of \$1.00 per share for New Stock, \$8.00 face amount of Debenture Notes, Series "B", and \$1.00 as Paid in Surplus.

(c) Each person who shall elect to accept Option "b" shall also have the right to subscribe to his proportionate share of the New Capital Stock and Debenture Notes, Series "B", which shall remain unsubscribed for by reason of old stockholders accepting Option "a". Such subscriptions shall be on the basis of \$1.00 per share for New Stock, \$8.00 face amount of Debenture Notes, Series "B", and \$1.00 as Paid in Surplus.

(d) Any portion of the New Stock and Debenture Notes, Series "B", then remaining unsubscribed for shall be disposed of to the old stockholders who have accepted

Options "b" and "c", in such manner as the Court may direct in the Order of Confirmation of the Amended Plan, on the same terms of payment as hereinbefore provided.

The time in which to make such elections and payments for such New Stock and Debenture Notes, Series "B", and contribution to the Paid in Surplus, shall be prescribed by the Court, which Order shall also contain such provisions as the Court shall deem proper in case of any such subscriber who shall fail to make prescribed payments.

Stockholders electing to take Option "b" shall present their old stock for cancellation.

If any of the stockholders shall fail within the time prescribed by the Court to make either of the elections herein provided for, his stock and all rights thereunder shall cease and be eliminated.

ARTICLE II

Property to Be Dealt with by Amended Plan

All property of the Debtor and its Trustee, of every name and nature, will be dealt with by the Amended Plan.

ARTICLE III

Provision for Payment of Administration Expenses and Other Allowances

Provision has heretofore been made in this Amended Plan for the payment of such administration expenses and other allowances as may be made by the Court.

All expenses incurred in the issuing of the Debenture Notes, Series "A" and "B", and incurred in the elimination of the old stock and the issuance of new stock, shall be

subject to the approval of the Court and shall be borne by the Trustee.

ARTICLE IV

Provisions for the Rejection of Executory Contracts

So far as now known, there are no executory contracts which are to be rejected.

All contracts of the Trustee which are unfulfilled at the time of the consummation of the Amended Plan shall be assumed by The Onondaga Hotel Corporation.

ARTICLE V

Claims to Be Paid in Cash in Full

Such claims as are to be paid in full have heretofore been set forth under "Assets of Trustee and Disposition Thereof."

So far as the Trustee knows, there are no unsecured claims of the Debtor which have not been paid except the contingent claim of the Merchandise Brokerage Corporation for which provision has been made as hereinbefore set forth.

ARTICLE VI

Creditors Not Affected by the Amended Plan and Provisions with Respect to Them

Unpaid taxes which are or which may be claimed due by the United States of America or the State of New York, if any, are not affected by this Amended Plan and shall be assumed and paid by The Onondaga Hotel Corporation, except such taxes as may accrue from January 1, 1943, to the date of the consummation of this Amended Plan. Pro-

vision has heretofore been made for the adjustment of any such taxes.

ARTICLE VII

Provisions for Classes of Creditors which are Affected by or Do Not Accept the Amended Plan by the Requisite Majority

None.

ARTICLE VIII

Provisions for Classes of Stockholders which Are Affected by and Do Not Accept the Amended Plan by a Requisite Majority

None.

ARTICLE IX

PROVISIONS FOR THE RETIREMENT OF INDEBTEDNESS

Debenture Notes, Series "A"

The Onondaga Hotel Corporation, its successors and/or assigns, shall pay each year upon the principal amount of such Debenture Notes, fifty per cent of its net annual profits, of which 50%, 33⅓% shall be paid to the Onondaga County Savings Bank or its assigns, and 16⅔% to the First Trust & Deposit Company or its assigns. Such amount shall be paid to said institution within ninety days of the close of the fiscal year of the corporation, provided, however, that The Onondaga Hotel Corporation shall have the privilege of prepaying any sum or sums on account of such net annual profits, on an estimated basis, at any time during the year and the credit for such prepayments shall be given upon the final yearly determination.

Debenture Notes, Series "B"

Said Notes shall become due and payable ten years after the date of their issuance, provided, nevertheless, that The Onondaga Hotel Corporation shall have the right to make payments on the principal amount thereof out of 50% of its net annual profits, if such payments shall not reduce its net working capital to less than \$90,000.00.

New Mortgage

The New Mortgage shall bear date as of the consummation of the Amended Plan and be payable upon a 4% twenty-year monthly basis with monthly payments of both principal and interest, the basis of such payments being \$6.06 per thousand per month, with the privilege to the mortgagee of paying any balance of the principal sum on thirty days' notice in writing.

In addition thereto, there shall be paid (after payment in full of the Debenture Notes, Series "A", as hereinbefore provided) fifty per cent of the net profits of The Onondaga Hotel Corporation.

Such amount shall be paid to the holder of said mortgage within ninety days of the close of the fiscal year of the corporation, provided, however, that The Onondaga Hotel Corporation shall have the privilege of prepaying any sum or sums on account of such net annual profits, on an estimated basis, at any time during the year, and the credit for such prepayments shall be given upon the final yearly determination of such profits.

Onondaga County Savings Bank Mortgage

The principal amount of such mortgage after being reduced as hereinbefore provided for, shall be upon a 4% twenty-year monthly basis with monthly payments of both

principal and interest, the basis of such payments being \$6.06 per thousand per month, with the privilege of paying any balance of the principal sum at any time on thirty days' notice in writing.

In addition to such payments, after payment of the Debenture Notes, Series "A", and the New Mortgage, there shall be paid $33\frac{1}{3}\%$ of the net annual profits of The Onondaga Hotel Corporation upon such principal, said payments to be made to the owner of said mortgage within ninety days of the close of the fiscal year of the corporation, provided, however, that The Onondaga Hotel Corporation shall have the privilege of prepaying any sum or sums on account of such net annual profits, on an estimated basis, at any time during the year, and the credit for such prepayments shall be given upon the final yearly determination of such profits.

First Trust & Deposit Company Mortgage

The principal amount of such mortgage after being reduced as hereinbefore provided for, shall be upon a 4% twenty-year monthly basis with monthly payments of both principal and interest, the basis of such payments being \$6.06 per thousand per month, with the privilege of paying any balance of the principal sum at any time on thirty days' notice in writing.

In addition to such payments, after the payment of the Debenture Notes, Series "A", and the New Mortgage, there shall be paid $16\frac{2}{3}\%$ of the net annual profits of the corporation upon such principal, said payments to be made to the owner of said mortgage within ninety days of the close of the fiscal year of the corporation, provided, however, that The Onondaga Hotel Corporation shall have the privilege of prepaying any sum or sums on account of such net annual profits, on an estimated basis, at any time during the

year, and the credit for such prepayments shall be given upon the final yearly determination of such profits.

Cancellation of Certain Bonds

The First Consolidated Mortgage Bonds now in possession of the Debtor shall be delivered to The Syracuse Trust Company as Trustee and shall be cancelled by it.

ARTICLE X

Means for the Execution of the Amended Plan

(a) The assets now held by the Trustee of the Debtor, together with those acquired from the Trustee as hereinbefore set forth, shall be vested in The Onondaga Hotel Corporation as reorganized.

(b) The Syracuse Trust Company as Trustee under the Trust Indenture dated October 1, 1908, securing the First Consolidated Mortgage Bonds, shall execute a cancellation of such Trust Indenture and a satisfaction of the lien thereof, which instrument shall be delivered to The Onondaga Hotel Corporation upon the deposit with said The Syracuse Trust Company as Trustee of the sum of \$58,250.00, and the payment to it of such allowance as the Court may make.

(c) The necessary amendments to the Certificate of Incorporation of The Onondaga Hotel Corporation shall be executed and filed providing for the elimination of its present stock issue, the creation of the new stock issue of 10,000 shares of the par value of \$1.00 each, the Debenture Notes, Series "A", the Debenture Notes, Series "B", the New Mortgage, the extension of the lien of the Onondaga County Savings Bank Mortgage and the First Trust & Deposit Company Mortgage, and the alterations and amendments to said

mortgages as herein provided, the provision with reference to net working capital, and in such other respects as the Court shall deem fitting in the Order approving the Amended Plan.

(d) Provisions for the issuance of new securities.

1. *New Stock*: The Onondaga Hotel Corporation shall create and issue new stock as herein provided for, consisting of 10,000 shares of the par value of \$1.00 per share. Such stock and the Debenture Notes, Series "B", shall be subscribed and paid for as hereinbefore provided.
2. *Debenture Notes, Series "A"*: The Onondaga Hotel Corporation shall issue the unsecured Debenture Notes, Series "A", in the form, substance and terms hereinbefore described.
3. *Debenture Notes, Series "B"*: The Onondaga Hotel Corporation shall issue the unsecured Debenture Notes, Series "B", in the form, substance and terms hereinbefore described. Said notes shall bear a legend to the effect that they are subordinate as to the payment of principal and interest to the Debenture Notes, Series "A".
4. *New Mortgage*: The Onondaga Hotel Corporation shall create and deliver to the owner of the outstanding Trustee's Certificates at the time of the consummation of the Amended Plan, the New Mortgage, which shall contain the terms, provisions and requirements hereinbefore set forth.

(e) General Provisions.

1. The Trustee shall have general supervision over the Amended Plan and the consummation thereof, subject to the approval of the Court and he is specifically authorized to take such steps and proceedings as he may

- deem advisable and as may be approved by the Court in order to effect consummation of the Amended Plan.
2. The form and terms of amendment to the Certificate of Incorporation of The Onondaga Hotel Corporation and the form and terms of the Debenture Notes, Series "A" and Series "B", and of the New Mortgage and of the amendment to the terms, conditions and provisions of the Onondaga County Savings Bank Mortgage and First Trust & Deposit Company Mortgage shall, in all respects not expressly defined or provided for in the Amended Plan, be determined with the approval of the Court.
 3. The form and terms of any other documents or instruments executed with the consummation of the Amended Plan and the proceedings to be taken to consummate the same shall, in all respects not expressly defined in the Amended Plan, be determined by the Trustee and the interested parties. Such agreements shall be submitted to the Court for its approval or, in case of disagreement, to it for a decision thereon.
 4. The Amended Plan describes in general outline the character of the New Securities, the means for the execution of the Amended Plan, and the precise terms and conditions are necessarily to be determined in accordance with the powers granted by the Amended Plan and under the supervision of the Court, to fit the facts and circumstances as they may exist from time to time during the consummation of the Amended Plan.
 5. The Trustee with the approval of the Court may, insofar as it does not materially and adversely affect the interests of the creditors, stockholders or the Debtor, supply any defect or omission or reconcile any inconsistency in such manner or to such extent as may be necessary or expedient to carry out the Amended Plan effectively.

ARTICLE XI**Provision with Reference to the Selection of Directors**

At the time of the consummation of the Amended Plan the Board of Directors of The Onondaga Hotel Corporation shall consist of seven members who shall be nominated by it but whose election or appointment shall be confirmed by the Court.

(a) Effectual provision is to be made in the by-laws of The Onondaga Hotel Corporation fixing the date of holding the annual meeting of stockholders, or in some other manner, in order that the Board of Directors, consisting as aforesaid, or successors appointed by them, will be entitled to continue in office for not less than ten months after the consummation of the Amended Plan. Thereafter the Directors shall be selected in accordance with the charter and by-laws of the Debtor and the Laws of the State of New York.

ARTICLE XII**Other Provisions and Reports to Be Included in Charter of the Debtor**

(a) The amended Certificate of Incorporation of The Onondaga Hotel Corporation shall prohibit it from issuing non-voting stock. It shall also provide that the shares of new Common Stock shall be entitled to full and complete voting powers and shall have one vote for each share and shall be non-assessable.

During the period in which there shall be outstanding any of the presently existing mortgages, new mortgage, or Debenture Notes, Series "A", the amended Certificate of Incorporation shall also provide that no dividend shall be paid upon the capital stock outstanding if by so doing the net working capital of the corporation shall be reduced to less than \$90,000.00, and that no decrease of capital shall

be made by retiring capital stock or any other means if by such decrease the amount of working capital shall be reduced to less than that sum. Subject to the limitations herein contained, the holder or holders of a share or shares of new Common Stock shall receive dividends thereon out of the earnings or surplus of The Onondaga Hotel Corporation when and as declared by the Board of Directors.

(b) The Certificate of Incorporation of The Onondaga Hotel Corporation shall also be amended so as to provide that it will not make or issue any notes, evidence of indebtedness or obligation of any nature which shall impose an interest or other charge upon it, without securing the written consent of the holders of the New Mortgage, Onondaga County Savings Bank mortgage and First Trust & Deposit Company mortgage.

(c) That periodic reports which shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practice, shall be made not less than once annually to security holders by independent certified public accountants.

ARTICLE XIII

General Provisions

All provisions of the foregoing Amended Plan, which are applicable to The Onondaga Hotel Corporation, shall also be obligatory upon its successor and/or successors whether hereinbefore expressly stated or not.

The Trustee of the Debtor offers his services in an endeavor to carry out the reorganization of the Debtor in accordance with the Amended Plan, subject to the supervision of the Court, but he shall not assume any personal liability in connection with carrying out the Amended Plan except for the exercising of good faith in such endeavor.